

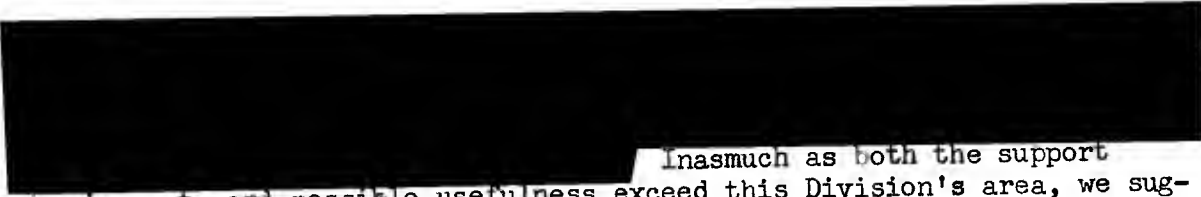
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SUBJECT: Consequences of Trade Involvement with Soviet Orbit

1. It appears highly probable that Western Germany, following the visit of Chancellor Adenauer to Moscow, will be placed under increasing pressure either from official Soviet quarters or from Communist cover groups, neutralists, and businessmen in the Federal Republic, to offer the Soviet Orbit long-range trade commitments as an inducement for political and other concessions by the USSR. The Austrian example furthermore indicates that the USSR will seek to free Germany from either imposed or voluntary COCOM compliance in any ultimate reunification agreement.

2. We desire to cooperate with and support the West German government in combatting any pressure for such trade deals.

3. For this purpose we can advantageously use analytical and statistical material on the permanent dislocation of a nation's economy when it is forced by circumstances to orient its trade temporarily toward the Soviet Orbit. The best cases in point are probably the results of USSR preemption of Finnish trade by the reparations device, and the as yet undeveloped consequences for Austria of its agreement to make substantial oil deliveries to the USSR, and take over the East-oriented USIA enterprises.

 Inasmuch as both the support requirements and possible usefulness exceed this Division's area, we suggest you may wish to carry the ball on this matter.

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NOFORN

12 December 1955

TO: Chief, Economic Research Area

THRU: Chief, Services Division
Chief, Trade Branch

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FROM: [REDACTED]

SUBJECT: Certification of Classification of Project [REDACTED]

I certify that no source material of a classification higher than SECRET/NOFORN/LIMITED/NO DISSEM ABROAD was used in the preparation of this report.

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